

**Hill County FSA Office**  
**206 25<sup>th</sup> Ave W Ste. 2**  
**Havre MT 59501**  
**(406)265-6792**

#### County Committee Members

Richard Pollington  
Clarence Keller  
Diana Patrick  
Mary Ruth St. Pierre

#### FSA Office Personnel

Liane Albus	ext. 100
Clint Greytak	ext. 107
Linell Pegar	ext. 110
Rosalie Sather	ext. 105
Lisa Toth	ext. 102
Doug Kallenberger	
Sara Crowley	
Mike Zook	ext. 111
Daryl Munson	ext. 109
Denise Reynolds	

#### Dates to Remember:

**August 1** – Reconstitution  
Deadline for FY 2007

**August 1** – COC Nomination  
forms must be returned to county  
office by close of business

**August 3** – Signature deadline on  
2007 Direct and Counter-cyclical  
Program (DCP)

**August 7-8** – Office closed

**August 4 - September 28** – DCP  
late filed fee of \$100 will be  
assessed

**September 3** – Holiday, Office  
closed

**September 24-27** – Tribal  
Outreach Forum, Gran Tree,  
Bozeman

**September 28** – Final date for late  
filed 2007 DCP contracts

**October 2 & 3** – Women Stepping  
Forward for Agriculture  
Symposium, Dillon

**November 2** – COC ballots will be  
mailed to eligible voters



# Hill County FSA News

## July 2007

### 2007 Compliance Activities

FSA will be conducting compliance reviews and spot checks a little differently in 2007. Instead of selecting individual farms, contracts, loans, LDP's, etc. for spot check and review at the local level, a nationwide selection of producers was made by the national FSA office. Producers were selected based on their participation in the Conservation Reserve Program (CRP), Direct and Counter-Cyclical Payment Program (DCP), Loan Deficiency Program (LDP), Marketing Assistance Loans (MAL's), and the Non-insured Crop Disaster Assistance Program (NAP). A representative sample of FSA employees, County Committee (COC) members, and other "required" producers were also selected for spot check and review.

FSA County offices may spot check additional producers if they have valid concerns that warrant the spot check and review.

For 2007, all producers selected shall be spot checked or reviewed for:

- Compliance with all programs in which they participated or received benefits, and;
- Acreage reporting accuracy.

Producers may be subject to a spot check or review if they participated in any of the following programs:

- Crop disaster program (CDP)
- CRP maintenance and practice checks
- DCP
- Acreage Reporting
- LDP's/Marketing Assistance Loans
- NAP

The reviews will take place throughout the year applicable to the certain program or activity.



## COC Nominations Open

Nominations for positions on the FSA County Committees are now open. Anyone interested in either nominating themselves or their neighbors are encouraged to submit a nomination form to the office by August 1.

A county or area served by the county committee is divided into local administrative areas (LAA). Each LAA is represented by one member on the county committee. Only one LAA holds an election each year. You must reside within the LAA that is open for election to be eligible to run for a position on the county committee. Contact the office to determine which LAA is open for nominations.

The nominee must be sure to sign the nomination form in order to be nominated as a COC member. All eligible voters will receive a ballot in the mail no later than November 2. At that time, all eligible voters will vote for their favorite candidate, sign the ballot and return the completed ballot to the county office by December 3.

Nomination forms are available at the office or by logging on to the Montana FSA website at: <http://www.fsa.usda.gov/mt>.

## Reminder: Providing Copies to Insurance Companies

Private insurance representatives are now required to provide the FSA county office a signed statement from the insured individual specifying the crop year and the related documents the producer wants copied for the insurance agent.

The insurance agent will then be charged for these documents at the rate of \$0.20 per page/side for copies of the Acreage Report (FSA-578) and \$1.00 per copy for map photo copies. If the statement by the producer is not provided and payment received, the documents will not be released to the insurance agent or representative.

## Farm Reconstitutions Deadline is August 1

In FSA terms, farms are constituted to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is necessary.

The reconstitution – or recon – is the process of combining or dividing farms or tracts of land based on the farming operation.

*Remember*, to be effective for the current year, recons must be requested by **August 1** for farms enrolled in the Direct and Counter-cyclical Payment Program (DCP). The farm producers may enroll the base acres for a crop year by signing a new DCP (CCC-509) for the resulting farm (s). This must be done by **August 3** or 30 days after written notification that the farm reconstitution has been completed.

If 2007 DCP direct payments have already been issued on the farm, the reconstitution will be effective for 2008 unless the payments are refunded.

## Do you have enough storage for your harvest?

FSA can make loans to help you build or upgrade your farm storage and handling facilities.

Loans can be made for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities. Eligible facilities include:

- New conventional-type cribs or bins designed and engineered for whole grain storage and having a useful life of at least 10 years;
- New permanently affixed grain handling and drying equipment determined by FSA to be needed and essential to the proper functioning of a grain storage system, with or without a loan for storage structures;
- Existing storage can be renovated according to FSA regulations with or without an increase in storage capacity;

**Farm Stored Facility Loan (cont'd)**

- New electrical equipment, such as lighting and motors integral to the proper operation of grain storage and handling equipment, excluding the installation of electrical service to the electrical meter;
- New equipment to improve, maintain or monitor the quality of stored grain;
- Safety equipment as required by CCC; and,
- New flat-type storage structures, including a permanent concrete floor and bulkheads, designed for and primarily used to store whole grain for the term of the loan.

The maximum loan amount of any farm storage facility loan shall be 85 percent of the net cost of the applicant's needed storage or handling equipment not to exceed \$100,000 for each borrower signing the note and security agreement.

The maximum term of the loan is 7 years.

The interest rate for each loan will remain in effect for the term of the loan. Contact the office for further information.

**Responsibilities for CRP Contract Holders**

CRP contract holders have certain responsibilities for carrying out the terms and conditions of the CRP contract. Those include, but are not limited to:

- ✓ Control all weeds, insects, pests and other undesirable species to the extent necessary to ensure that the establishment and maintenance of the approved cover is adequately protected and there is no adverse impact on surrounding land.
- ✓ Establish and maintain the required vegetative or water cover and other required practices.
- ✓ No activity may be conducted on CRP acres without authorization.
- ✓ Prior approval must be received from FSA before any harvesting, grazing or other commercial use of the forage may begin.

- ✓ If land with a CRP contract is sold, the new owners should notify the local county FSA office if they want to continue the contract.

If the land is sold and the new owner does not wish to continue the CRP contract, you will be required to repay all payments received on the contract plus interest and liquidated damages. Liquidated damages are equal to 25 percent of the annual rental payment on those acres not contracted by the new owner.

**2007 Final Year of DCP Program Under 2002 Farm Bill**

The sign-up deadline for the 2007 Direct and Counter-cyclical Program has been extended from June 1 to August 3, 2007. The extension applies only to the enrollment time frame and does not extend the annual DCP contract period beyond September 28, 2007. A late-file fee of \$100 will be assessed for farms that are enrolled after August 3, 2007 but no later than September 28, 2007. Applications filed after September 28, 2007 cannot be approved.

We encourage you to sign up to avoid the \$100 late file fee.

**Measurement Service Charges**

On farm measurement is charged at:

- Basic farm fee of \$30.00;
- Plus an hourly rate of \$16.00 for the first hour and \$8.00 for each additional ½ hour after the first hour. The minimum is 1 hour.

The hourly rate includes the time to travel from the FSA county office to the farm, complete the measurement service and return to the county office.

An "Initial Fee" is required at the time the measurement service is requested and the fee must be collected before the measurement service is performed. The initial fee will be the basic rate plus the hourly minimum. Once the service has been completed the actual fee will be calculated. The initial fee will be subtracted from the calculated fee and a letter will be sent informing you of the additional amount owed.

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206 25<sup>th</sup> Ave W Ste 2  
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### *Important Dates to Remember*

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**September 24-27 – Tribal Outreach Forum, Gran Tree, Bozeman**  
**September 28 – Final date for late filed 2007 DCP**

### Office Closed

The Hill County FSA Office will be closed on August 7<sup>th</sup> and 8<sup>th</sup>, as all staff will be involved in a district meeting outside the area. Our apologies in advance for any inconveniences this might impose.

### Expiring CRP Contracts with Base Acres

**Attention:** Currently, the 2002 Farm Bill provides for restoration of lost base acres when a CRP contract expires. That provision ends September 30, 2007 with the expiration of the 2002 Farm Bill. FSA will not know how base acres will be treated until the new Farm Bill is implemented.